Health Care

Few issues touch all of our lives more closely or cause us more anxiety than health care. While Americans receive some of the best health care in the world, our system still has some severe flaws that deserve immediate solutions. The increasing cost of health care and health insurance premiums, the rising number of people who have limited coverage or lack coverage entirely, and the relatively limited resources dedicated to medical research and advancements mean that too many people are not receiving the care they need. Universal insurance coverage should be a national priority so that every American can receive the care and services needed.

As a member of the House Subcommittee on Health, and the Representative of the region that produces so many health care research advances, Rep. Eshoo is absolutely committed to improving health care for all Americans.

In this section:

- Medicare
- Medicaid
- Health Care Access and Affordability
- State Children's Health Insurance Program
- Medical Research
- Drug Safety
- Influenza Pandemic (Avian Flu)
- Health Information Technology (HIT)
- Genetic Discrimination

Medicare

Medicare is a federal health insurance program that extends health coverage to almost all Americans aged 65 or older, as well as disabled Americans of any age. Medicare services are provided in four parts:

- Part A, the Hospital Insurance program, pays for inpatient hospital, skilled nursing facility, and hospice care.
- Part B, Supplementary Medical Insurance, pays for physician, outpatient, and preventive services.
- Part C refers to private Medicare Advantage plans, such as HMOs, that provide Part A and B benefits to enrollees.
- Part D is the outpatient prescription drug benefit that began in January 2006 and is funded by general revenues, beneficiary premiums, and state payments.

The Medicare Prescription Drug Program (Part D)

Prescription drugs are a major part of increasing health care costs. For millions of Americans, especially senior citizens on fixed incomes, medications are difficult to afford. It's estimated that American seniors will spend close to $2 trillion dollars on prescription drugs over the next ten years.

Rep. Eshoo voted against the Medicare Modernization Act of 2003 which put the Medicare Part D prescription drug program in place because it dramatically weakened the Medicare program and failed to provide affordable coverage for our nation's seniors. A provision in the law expressly prohibits the federal government from using the strength of Medicare's 43 million beneficiaries to negotiate prescription drug benefits. As a result, drug prices under the Medicare prescription drug plan are more than 80% higher than those negotiated by other federal agencies, with prices 60% higher than those in Canada.

Rep. Eshoo is an origical cosponsor of H.R. 4, the Medicare Prescription Drug Price Negotiation Act of 2007, which she voted for and the House passed on January 12th. The legislation will:

- Require the Secretary of Health and Human Services to conduct important cost-saving negotiations. Individual drug plans will still be permitted to obtain further discounts or prices lower than the price negotiated by HHS for covered prescription drugs.

- Prohibit the Secretary from limiting seniors' access to certain medications or from favoring one drug over another through restrictive formularies.

The House Committee on Oversight and Government Reform estimates H.R. 4 will reduce overall drug costs by 25%, saving Medicare beneficiaries $61 million over 10 years.

Are you a Medicare Part D beneficiary? Read Rep. Eshoo's guide to making the most of the new Medicare prescription drug program.

Medicare Advantage

Under Medicare Advantage, private insurance plans were brought into the Medicare program on the theory that they could deliver Medicare services at lower costs. However, as a result of provisions in the 2003 Medicare prescription drug law, Medicare Advantage providers are now paid an average of 12 percent more than under traditional Medicare.

To help subsidize these overpayments, the 35 million seniors and people with disabilities enrolled in traditional Medicare are charged higher monthly premiums. In 2007, seniors in traditional Medicare are expected to pay $750 million in excess premiums to finance Medicare Advantage. Furthermore, approximately 7 million seniors are low-income beneficiaries whose premiums are paid for them by the Medicaid program. The cost of these higher premiums are borne by the federal government and the states which jointly fund Medicaid. If these overpayments are not stopped, the projected insolvency of the Medicare trust fund will accelerated by two years.

In August 2007, Rep. Eshoo voted for and the House passed H.R. 3162, the Children's Health and Medicare Protection (CHAMP) Act, which eliminates inappropriate overpayments to Medicare Advantage and make a number of improvements to help Medicare beneficiaries. The CHAMP Act:

- Helps low-income Medicare beneficiaries with Part D drug costs and cost sharing in traditional Medicare by raising asset limits, streamlining requirements for the Part D Low-Income Subsidy (LIS), and improving Medicare Savings Programs (MSP). These improvemetns translate to savings of $1,200 for low-income beneficiaries.

- Allows Medicare Part D beneficiaries to change drug plans if their drug plan formulary changes.

- Requires Part D plans to cover all or substantially all drugs in six important drug classes.

- Expands Medicare coverage by eliminating cost sharing for preventive healthcare and brings parity to cost sharing requirements for mental health.

- Ensures seniors access to doctors of their choice by eliminating a scheduled 10 percent payment cut to doctors.

- Addresses the geographic payment locality issue which has forced doctors in Santa Cruz County and elsewhere across the country to close their doors to new Medicare patients.

The CHAMP Act is endorsed by AARP, the Alliance for Retired Americans, the American Academy of Family Physicians, the American College of Physicians, the American Hospital Association, the American Medical Association, the American Public Health Association, Families USA, the NAACP, and the National Association of Insurance Commissioners.

Medicaid

Medicaid is one of our nation's most important health care insurance programs for low-income and disabled Americans. It covers hospital, physician, clinic, nursing home, prescription drug, and other basic and long-term health care services for 50 million people, and half of all Medicaid beneficiaries -- over 25 million -- are children. Medicaid is financed and operated jointly by the states and federal government and accounts for approximately one fifth of the nation's health care spending and nearly half of all spending on long term care. As the largest source of federal support to the states, Medicaid is also a major engine in state economies, supporting millions of jobs across the country.

In 2000, Rep. Eshoo introduced the Breast Cancer and Cervical Treatment Act, which allows states to use Medicaid dollars to provide health treatment coverage for low-income women diagnosed with breast or cervical cancer. Before enactment of this law, Medicaid only provided coverage for the diagnosis but not treatment of these deadly cancers. The law enjoyed overwhelming bipartisan support, and to date, all 50 states and the District of Columbia have used it to offer treatment for women who do not have private insurance coverage.

Health Care Access and Affordability

The United States currently has 47 million uninsured individuals, almost 6.5 million of whom live in California. Many of these individuals cannot afford to purchase private health insurance due to annual double-digit premium increases. Spiraling health insurance costs also burden small businesses and employers, which are increasingly unable to offer health insurance benefits, and many companies that are able to provide benefits find it necessary to pass more and more of the costs to their employees.

Rep. Eshoo believes, first and foremost, that we should immediately address the 9 million uninsured children in our country. She is an original cosponsor of H.R. 1535, the Children's Health First Act, to improve the successful State Children's Health Program (SCHIP).

Rep. Eshoo also supports:

- Allowing broader access to insurance plans available to federal employees and Memobers of Congress under the Federal Employees Health Benefits Plan;

- Improving and expanding state programs (including Medicaid and SCHIP) to cover young adults, pregnant women and very low-income single aduts; and,

- Establishing state and national multi-insurer pools to provide comprehensive and affordable health insurance choices to small employers and the self-employed.

State Children's Health Insurance Program

In 1997, Congerss created the landmark State Children's Health Insurance Program (SCHIP) with broad bipartisan support. Currently, more than 6 million low-income children are enrolled in this successful program, but the funding is set to expire on September 30th. Rep. Eshoo believes it is essential to maintain support for CHIP programs to ensure that all children who qualify can receive coverage.

Rep. Eshoo voted for final House passage of H.R. 976, the State Children's Health Insurance Program (SCHIP) Reauthorization Act of 2007. The legislation reauthorizes SCHIP for five years and adds $35 billion to cover an additional 4 million kids who are eligible but not enrolled in the program. The bill is the result of bipartisan compromise between the House and Senate and has the endorsement of 43 Republican and Democratic governors and 270 organizations representing a broad array of Americans. The bill is also completely paid for with an increase in the tax on tobacco and won't add a dime to the deficit or the national debt.

-

Eshoo's Floor Statement on Passage of H.R. 976 (Video)

Medical Research

The federal government plays a key role in funding the basic research that often leads to the development of treatments for diseases and conditions that threaten lives and the quality of life. Americans live in a time of extraordinary and historic opportunity in medical research, and Rep. Eshoo believes that government needs to lend substantial support to research institutions, hospitals and education systems so they can forge a path to revolutionary treatments, disease management and, hopefully, cures.

Rep. Eshoo has long been a strong supporter of efforts to increase the budget of the National Institutes of Health (NIH) so that the NIH has adequate resources to engage in research. The goal of NIH is to acquire new knowledge to help prevent, detect, diagnose and treat diseases and disabilities from the rarest genetic disorder to the common cold. NIH conducts research in its own laboratories and also supports the research efforts of non-federal scientists in universities, medical schools, hospitals, and research institutions across the country and abroad.

Rep. Eshoo helped to pass H.R. 6164, the National Institutes of Health Reform Act of 2006, legislation aimed at helping NIH in its long-term battle to overcome human disease and disability. H.R. 6164 reauthorizes our foremost medical research center and the federal focal point for medical research in the United States. It also establishes a Common Fund to stimulate trans-NIH research in areas of emerging scientific opportunities, rising public health challenges, or knowledge gaps that deserve special attention and will benefit from additional research involving collaboration between two or more Institutes or Centers. The bill was passed by Congress and signed into law on January 15, 2007 (Public Law 109-482).

For more information about Rep. Eshoo's commitment to research funding, read about the Democrats' Innovation Agenda.

Stem Cell Research

Embryonic stem cells have the ability to develop into virtually any cell in the body and provide a unique opportunity to test new drugs and create new treatments. According to NIH, stem cells "offer the possibility of a renewable source of replacement cells and tissues to treat diseases including Parkinson's and Alzheimer's diseases, spinal cord injury, stroke, burns, heart disease, diabetes, osteoarthritis, and rheumatoid arthritis."

In August 2001, President Bush announced that federal funds used to support research on human embryonic stem cells would be limited to existing stem cell lines. The NIH's Human Embryonic Stem Cell Registry lists 78 stem cell lines eligible for use in federally funded research, however only 22 embryonic stem cell lines are currently available. Scientists are concerned about the quality, and longevity of these stem cell lines. For a variety of reasons, many believe research advancement requires new embryonic stem cell lines.

In November 2004, Californians overwhelmingly approved Proposition 71, paving the way for a 10-year project that makes the state a global leader in stem cell research. Under the $3 billion ballot initiative, California researchers are eligible for $295 million a year in grants to work on cell colonies -- or lines -- taken from human embryos.

Rep. Eshoo is an original cosponsor of H.R. 3, the Stem Cell Research Enhancement Act of 2007, which allows federal support of research that utilizes human embryonic stem cells regardless of the date on which the stem cells were derived from a human embryo. This bill also ensures that this research will be conducted according to strict ethical standard set by the NIH. On January 11, 2007, the House passed this legislation by a vote of 253 to 174. On June 7, 2007, Rep. Eshoo voted for final congressional passage of identical Senate legislation (S.5). Unfortunately, the Presidnet chose to veto this important legislation.

Prematurity Research

Since 1981, the Centers for Disease Control (CDC) estimates that the number of infants born too soon has increased by over 30 percent. More than 500,000 infants are born prematurely each year. Premature infants are 14 times more likely to die in their first year of life, andpremature babies who survive may suffer lifelong consequences including cerebral palsy, mental retardation, chronic lung disease, and vision and hearing loss.

In response to the public health crisis, Rep. Eshoo sponsored the Prematurity Research Expansion and Education for Mothers who deliver Infants Early (PREEMIE) Act. This legislation will help identify the causes of prematurity and reduce the episodes of preterm labor and delivery. This legislation will help identify the causes of prematurity and reduce episodes of preterm labor and delivery. It will also bring hope to the 1,305 babies born too soon each day and extend hope to their families.

The PREEMIE Act requires the Department of Health and Human Services (HHS) and the CDC to expand and coordinate research activities on preterm labor and delivery and infant mortality, and to conduct research on the relationship between prematurity, birth defects, and developmental disabilities. The bill also requires the Surgeon General to conduct a conference on prematurity and to make recommendations on how the public and private sectors can identify the causes of and risk factors for preterm labor and delivery, and how to improve treatments.

The PREEMIE ACT was passed unanimously by the House and Senate and signed into law (Public Law 109-450) on December 22, 2006.

Arthritis Research

Arthritis is the leading cause of disability in the United States affecting one out of every five adult Americans and more than 300,000 children. Many of those suffering are not receiving the care or basic information they need to manage the disease. Rep Eshoo thinks it's important to expand our capacity to treat, cure and ultimately prevent the more than 100 different forms of arthritis and other rheumatic diseases that diminish patients' quality of life and affect the lives of families and caregivers.

On March 1, 2007, Rep. Eshoo introduced the Arthritis Prevention, Control, and Cure Act (H.R. 1283) to increase research funding and support services for the 46 million Americans living with this painful, chronic disease.

The legislation provides additional support to federal, state and private efforts to prevent and manage arthritis and develops a National Arthritis Education and Outreach Campaign to educate healthcare professionals and the public on successful self-management strategies for controlling arthritis. H.R. 1283 also organizes a National Arthritis and Rheumatic Diseases Summit to consider ways of improving coordination and intensifying federal research efforts. The bill creates planning grants for innovative research on juvenile arthritis. It also establishes education loan repayment and career development award programs to provide incentives for health professionals to enter the field of pediatric rheumatology.

H.R. 1283 has been referred to the House Energy and Commerce Subcommittee on Health, of which Rep. Eshoo is a senior member.

Drug Safety

Recently, concerns have been raised about the ability of the Food and Drug Administration (FDA) to ensure the safety of drugs sold to American consumers. Lack of funding, bureaucracy, and poor management have clouded the ability of the FDA to assess the risks of drugs once they're on the market and take action when a risk is identified.

Rep. Eshoo believes that while the FDA must continue to approve new life-saving and life-enhancing drugs as efficiently as possible, this must not compromise safety. During House Energy and Commerce Committee hearings, Rep. Eshoo has argued that there is a clear need for post-marketing monitoring and the need to study the comparative effectiveness of medications. This will ensure the use of the most appropriate and safe treatment for specific conditions. The information from comparative effectiveness studies will assist physicians and patients in selecting the best treatment and help reduce inappropriate uses of treatments that pose unnecessary safety risks to patients.

In 2001 Rep. Eshoo authored H.R. 2887, the Best Pharmaceuticals for Children Act, which requires that pharmaceutical products be evaluated for safety and effectiveness in children. The bill also requires that drug labels contain this information. This legislation became public law in January of 2002.

Influenza Pandemic (Avian Flu)

At present the U.S. is unprepared for an avian influenza pandemic. Without federal and state preparation, the Centers for Disease Control and Prevention (CDC) estimates that a flu outbreak could kill more than 200,000 Americans and cost over $166 billion.

The avian influenza, also commonly referred to the bird flu, is a virus that occurs naturally among birds. Wild birds worldwide carry the viruses in their intestines but usually do not get sick from them. However, bird flu is very contagious and often deadly among domesticated birds, including chickens, ducks, and turkeys.

Since late December 2003 there have been scores of human cases of avian flu, many of them fatal. The virus currently lacks the capacity to be easily transmitted from person to person, which would be required in order to trigger a pandemic. Experts fear, however, it could acquire the necessary genetic changes in order to pass from person to person. It has already affected populations in Southeast Asia, China, Russia, and now Eastern Europe.

Related Resources:

- National Strategy for Pandemic Influenza
- Centers for Disease Control and Prevention
- California Influenza Pandemic Response Plan

Health Information Technology (HIT)

We live in the Information Age, but health care, one of the most information-intensive fields, remains mired in a pen-and-paper past. We can buy plane tickets online, make financial transactions across oceans, and send pictures via email, yet the health care industry remains dangerously disconnected. Such an inefficient information system creates unnecessary risks and costs. Prescriptions are still being written on paper and patient records are still being stored in large files that can't be transferred easily from one health care provider to another.

The Institute of Medicine estimates that every year as many as 98,000 Americans die and many more are injured in hospitals from medical errors, many of which can be attributed to mistakes in paperwork. Research has shown that 30 percent of health care costs, or $515 billion per year, come from duplicative services and procedures which add no value to clinical outcomes. These costs would be virtually eliminated or greatly reduced with the implementation of new technology. Patients deserve care from providers who are fully informed about their medical history, including past injuries, tests, diagnoses, and treatments. Patients should not have to undergo redundant tests or wait for results of telephone calls to their previous providers.

Health information technology (HIT) promises to revolutionize the health care delivery system and have a powerful effect on patient safety, medical errors, quality of care, and efficiency.

To advance the adoption of HIT, Congresswoman Eshoo introduced H.R. 3800, the Promoting Health Information Technology (PHIT) Act. The bipartisan PHIT Act will increase the deployment of HIT by streamlining the process for the adoption of HIT interoperability standards. It requires the federal government to abide by those standards, and it authorizes funding to promote HIT adoption nationwide. The bill also includes strong patient protections.

Specifically, the legislation:

- Establishes the position of National Coordinator for HIT within the Department of Health and Human Services (HHS) to facilitate the exchange of interoperable health information and coordinate the government's HIT activities and procurement.

- Creates the Partnership for Health Care Improvement, a public-private advisory body to recommend or endorse appropriate HIT interoperability standards and timeframes for adoption. All federal HIT procurement and all federal agencies that collect health data electronically will be required to comply with the standards endorsed by the partnership.

- Authorizes funding for grants to assist state and local governments adopt and promote HIT within their states. It also provides incentives for utilizing broadband to deliver HIT in underserved areas and authorizes funding to train qualified HIT professionals.

- Protects patients and their sensitive medical information by establishing a system to certify EHR products. Patients are guaranteed the right to inspect and obtain a copy of their EHR and to correct any inaccurate or fraudulent information.

H.R. 3800 has been referred to the Energy and Commerce Committee.

Bill Information

- Eshoo Statement
- PHIT Summary
- PHIT Section-by-Section
- PHIT Bill Text

Endorsements

- Healthcare Information and Management Systems Society (HIMSS)
- HealthIT Now!
- Business Roundtable
- IBM
- Siemens
- PHIT ITI Council Letter

- Divided We Fail

- American Electronics Association

- American Association for Clinical Chemistry

Related Links:

- Health Information Management and System Society

- eHealth Initiative

- Connecting for Health

- American Health Information Management Association

- Office of the National Coordinator for Health IT

- Institute for Healthcare Improvement

Related Reports:

- RAND Research Brief: Health Information Technology: Can HIT Lower Costs and Improve Quality? (September 2005)

- MedPAC Report to Congress: Medicare Payment Policy, Chapter 4: "Strategies to improve care: Pay for performance and information technology" (March 2005)

Genetic Discrimination

Since the sequencing of the human genome was completed in April of 2003, researchers have identified genetic markers for a variety of chronic health conditions and by doing so, increased the potential for the early treatment and prevention of numerous diseases.

There are currently over 15,500 recognized genetic disorders affecting 13 million Americans. In fact, each one of us is estimated to be genetically predisposed to between 5 and 50 serious disorders. Roughly 15 percent of all cancers and 10 percent of adult chronic diseases (such as heart disease and diabetes, America's top killers) have a genetic component.

There are already genetic tests for over 1,000 diseases, and hundreds more are under development. But sadly, the

threat of genetic discrimination is making many men and women less likely to be tested or to participate in climical trials.

A March 2007 survey published by the Genetics and Public Policy Center found that more than 90 percent of Americans are concerned that genetic testing may be used against them by an insurance provider or employer. As a result, patients are foregoing genetic testing that could lead to effective preventive care, improve their current health status, or enhance their long-term prognosis. This fear is also impacting genetic clinical trials and threatening to place the U.S. biotechnology sector at a disadvantage against foreign competitors. To realize the life-saving benefits of genetic testing, we have to reassure people that their genetic information will be used only for the early treatment and prevention of diseases.

To address this serious problem, Rep. Eshoo introduced H.R. 493, the Genetic Information Nondiscrimination Act (GINA), which allows Americans to benefit from the advances in genetics without unauthorized uses of personal information. Specifically, H.R. 493 makes it illegal for health plans and health insurers to deny coverage to a healthy individual or charge higher premiums based solely on genetic information when making hiring, firing, job placement or promotion decisions.

On May 1, H.R. 493 passed the House of Representatives by a vote of 414 to 1 and now must be signed into law by President Bush.

Related Resources:

- House Approves Eshoo Bill Prohibiting Genetic Information
- Eshoo Floor Statement on GINA (Video)

Return to Top